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SURFACE TRANSPORTATION BOARD



Mitsui Rail Capital, LLC
71 South Wacker Drive
Suite 1800
Chicago, Illinois 60606

Main (312) 803-8880
Fax (312) 803-8890

November 24, 2010

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 "E" Street, S.W.
Washington, D.C. 20423

Dear Section Chief:

Please find attached one (1) copy of a Memorandum of Partial Termination of Lease dated February 16, 2010 between the following parties:

Lessor: Mitsui Rail Capital, LLC
71 S. Wacker Drive, Suite 1800
Chicago, IL 60606

Lessee: Tennessee Valley Authority
1101 Market Street
Chattanooga, TN 37402

The enclosed document relates to the Memorandum of Lease Agreement previously filed with the Board under Recordation Number 26618.

A description of the railroad equipment covered by the enclosed document is:

One hundred twenty-eight (128) railcars as more specifically set forth in the exhibit attached to the document.

This filing is to appear in the index as follows: Memorandum of Partial Termination of Lease.

Please file this as a secondary document as defined in the Board's Rules for the Recordation of Documents. The filing fee in the amount of \$41.00 can be charged to our account.

Should you have any questions or need further information, please do not hesitate to contact me at (312) 803-8836.

Sincerely,

/s/ Christine Peterson

Christine Peterson
Contract Administrator/Paralegal

Enclosure

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MEMORANDUM OF PARTIAL TERMINATION OF LEASE ~~SURFACE TRANSPORTATION BOARD~~

Memorandum of Partial Termination of Lease dated as of February 16, 2010 by Mitsui Rail Capital, LLC, a Delaware limited liability company ("**Lessor**").

WITNESSETH:

1. Lessor and Tennessee Valley Authority (the "**Lessee**") are parties to that certain Lease Agreement (the "**Lease Agreement**"), dated August 16, 2005, and Schedule No. 7 thereto dated as of October 12, 2006 (the "**Schedule**"), whereby Lessor leased to the Lessee and the Lessee leased from Lessor certain railroad cars described in such Schedule. (The Schedule, incorporating the terms of the Lease Agreement, is herein referred to as the "**Lease**.")
2. Notice of the Lease has been put of record by the filing of a Memorandum of Lease Agreement dated as of October 12, 2006 with the Surface Transportation Board on October 13, 2006 under Recordation Number 26618.
3. The railcars listed on Exhibit 1 attached hereto have been terminated and are no longer covered under the Lease.
4. The remaining railcars under the Lease are not terminated and continue to be subject to the Notice of Lease referenced above.

IN WITNESS WHEREOF, the undersigned has caused this memorandum to be duly executed by its officer duly authorized as of the date hereof.

MITSUI RAIL CAPITAL, LLC

By: John O'Bryan
Name: John O'Bryan
Title: President

STATE OF ILLINOIS

COUNTY OF COOK

On this 24th day of November, 2010, before me personally appeared John O'Bryan, to me personally known, who being by me duly sworn, says that he is the President of Mitsui Rail Capital, LLC that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

Christine C Peterson
NOTARY PUBLIC

My commission expires: July 7, 2012

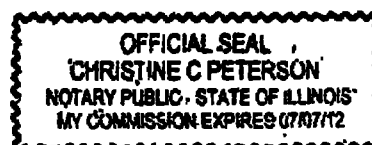


EXHIBIT 1
CAR MARKS AND NUMBERS

<u>Count</u>	<u>Mark</u>	<u>Number</u>	<u>Count</u>	<u>Mark</u>	<u>Number</u>	<u>Count</u>	<u>Mark</u>	<u>Number</u>
1	MBKX	452264	44	MBKX	452307	87	MBKX	452351
2	MBKX	452265	45	MBKX	452308	88	MBKX	452352
3	MBKX	452266	46	MBKX	452309	89	MBKX	452353
4	MBKX	452267	47	MBKX	452310	90	MBKX	452354
5	MBKX	452268	48	MBKX	452311	91	MBKX	452355
6	MBKX	452269	49	MBKX	452312	92	MBKX	452356
7	MBKX	452270	50	MBKX	452313	93	MBKX	452357
8	MBKX	452271	51	MBKX	452314	94	MBKX	452358
9	MBKX	452272	52	MBKX	452315	95	MBKX	452359
10	MBKX	452273	53	MBKX	452316	96	MBKX	452360
11	MBKX	452274	54	MBKX	452317	97	MBKX	452361
12	MBKX	452275	55	MBKX	452318	98	MBKX	452363
13	MBKX	452276	56	MBKX	452319	99	MBKX	452364
14	MBKX	452277	57	MBKX	452320	100	MBKX	452365
15	MBKX	452278	58	MBKX	452321	101	MBKX	452366
16	MBKX	452279	59	MBKX	452322	102	MBKX	452367
17	MBKX	452280	60	MBKX	452323	103	MBKX	452368
18	MBKX	452281	61	MBKX	452324	104	MBKX	452370
19	MBKX	452282	62	MBKX	452325	105	MBKX	452371
20	MBKX	452283	63	MBKX	452326	106	MBKX	452372
21	MBKX	452284	64	MBKX	452327	107	MBKX	452373
22	MBKX	452285	65	MBKX	452328	108	MBKX	452374
23	MBKX	452286	66	MBKX	452329	109	MBKX	452375
24	MBKX	452287	67	MBKX	452330	110	MBKX	452377
25	MBKX	452288	68	MBKX	452331	111	MBKX	452378
26	MBKX	452289	69	MBKX	452332	112	MBKX	452379
27	MBKX	452290	70	MBKX	452333	113	MBKX	452380
28	MBKX	452291	71	MBKX	452334	114	MBKX	452381
29	MBKX	452292	72	MBKX	452335	115	MBKX	452383
30	MBKX	452293	73	MBKX	452336	116	MBKX	452385
31	MBKX	452294	74	MBKX	452337	117	MBKX	452386
32	MBKX	452295	75	MBKX	452339	118	MBKX	452387
33	MBKX	452296	76	MBKX	452340	119	MBKX	452388
34	MBKX	452297	77	MBKX	452341	120	MBKX	452389
35	MBKX	452298	78	MBKX	452342	121	MBKX	452390
36	MBKX	452299	79	MBKX	452343	122	MBKX	452391
37	MBKX	452300	80	MBKX	452344	123	MBKX	452392
38	MBKX	452301	81	MBKX	452345	124	MBKX	452393
39	MBKX	452302	82	MBKX	452346	125	MBKX	452394
40	MBKX	452303	83	MBKX	452347	126	MBKX	452395
41	MBKX	452304	84	MBKX	452348	127	MBKX	452397
42	MBKX	452305	85	MBKX	452349	128	MBKX	452398
43	MBKX	452306	86	MBKX	452350			